

Internal Audit Progress Report

Report of the Acting Head of Internal Audit

1.0 Summary

- 1.1 This report notes the performance of the Internal Audit Section for the period 1st April to 31st October 2015 against the agreed 2015/16 Annual Internal Audit Plan.
- 1.2 This report provides a summary of the key issues raised in final audit reports issued since our last report to this Committee and provides the current status on the follow-up on the agreed audit recommendations made in final audit reports.

2.0 Background

- 2.1 Each quarter a report is produced for this Committee which details the Internal Audit Section's performance against the current year of the agreed 3 year Strategic Internal Audit Plan, and summarises the results of audit work carried out.

Internal Audit Performance - 2015/16

- 2.2 The 2015/16 Annual Internal Audit Plan agreed by the Joint Governance Committee on 24 March 2015 contained 770 days and 64 items of audit work to be undertaken by the Internal Audit Service during the year.
- 2.3 Since approval, the audit plan has been revised to accommodate requests to move audits to different parts of the year and to take account of changes in requirements.

The current plan is summarised as:

Period	No of audits planned	No of days planned	% of days planned
Quarter 1 (April – June)	11	135.75	17.85%
Quarter 2 (July – September)	9	157.25	20.68%
Quarter 3 (October – December)	18	256.25	33.69%
Quarter 4 (January – March)	18	211.25	27.78%
	56	760.5	100

- 2.4 At 31st October, 301.5 days (40%) of the planned days had been delivered against the revised 760.5 days. Attached, as **Appendix 1**, is the detailed information on progress against this plan.

- 2.5 Recommendations made in audit reports are categorised according to their level of priority as follows:

Priority 1	Major issues for the attention of senior management.
Priority 2	Other recommendations for local management action.
Priority 3	Minor matters.

Bank Mandate Fraud

- 2.6 Adur District Council has been subject to an attempted bank mandate fraud. The Council has taken steps to improve controls and has reported the matter for further investigation.

Final Audit Reports

- 2.7 Internal Audit's assurance opinions accord with an assessment of the controls in place and the level of compliance with these controls. During the course of an audit, a large number of controls will be examined for adequacy and compliance. The assurance level given is the best indicator of the system's control adequacy. The assurance levels and their associated explanations are:-

Full Assurance	There is a sound system of control designed to achieve the system objectives and the controls are being consistently applied.
Satisfactory Assurance	While there is a basically sound system, there are weaknesses that put some of the system objectives at risk, and/or there is evidence that the level of non-compliance with some of the controls may put some of the system objectives at risk.
Limited Assurance	Weaknesses in the system of controls are such as to put the system objectives at risk, and/or the level of non-compliance puts the system objectives at risk.
No Assurance	Control is generally weak, leaving the system open to significant error or abuse, and/or significant non-compliance with basic controls leaves the system open to error or abuse.

- 2.8 The report attached as **Appendix 2** provides a summary of key issues raised in all final reports issued since our last report to this Committee, including those with a Limited Assurance opinion. Since the previous Committee, eight reports have been finalised; of these seven were Satisfactory assurance and one was Limited assurance. A total of four P1 recommendations were raised within these reports.

Follow up of Audit Recommendations

- 2.9 In accordance with the Council's Follow-Up Protocol, Internal Audit has continued following-up the status of implementation of recommendations contained in final audit reports.

2.10 Follow-up audits are undertaken to ensure that all recommendations raised have been successfully implemented according to the action plans agreed with the service managers when reports are finalised. The Follow-up Protocol requires implementation of 80% of all priority 2 and 3 recommendations and 100% of priority 1 recommendations. The performance in relation to these targets at production of this report is shown in the tables below.

Analysis of status of recommendations 2013/14

	Total Due	Imp	%	Carried Over (Not Impl'd)	%	FU & Overdue	%	FU & No Response	%	Total % NOT Impl'd	FU Not Due	Total
P1	16	12	75%	1	6.3%	3	18.7%	0	0%	18.7%	0	16
P2	106	63	59.4%	23	21.7%	15	14.2%	5	4.7%	18.9%	7	113
P3	22	17	77.3%	5	22.7%	0	0%	0	0%	0%	1	23
Other	6	6	100%	0	0%	0	0%	0	0%	0%	0	6
Total	150	98	65.4%	29	19.3%	18	12%	5	3.3%	15.3%	8	158

Analysis of status of recommendations 2014/15

	Total Due	Imp	%	Carried Over (Not Impl'd)	%	FU & Overdue	%	FU & No Response	%	Total % NOT Impl'd	FU Not Due	Total
P1	15	8	53.3%	0	0%	4	26.7%	3	20%	46.7%	17	32
P2	78	37	47.4%	0	0%	17	21.8%	24	30.8%	52.6%	53	131
P3	20	8	40%	0	0%	6	30%	6	30%	60%	12	32
Other	1	1	100%	0	0%	0	0%	0	0%	0%	6	7
Total	114	54	47.4%	0	0%	27	23.7%	33	28.9%	52.6%	88	202

2.11 We continue to report to quarterly DMT meetings and are generally receiving more prompt responses to our requests for updates. We are also in initial discussions with the Head of Digital & Resources regarding digitalising the entire follow up process in order to move towards a single platform for monitoring audit recommendations that could be used and accessed by all Council officers.

2.12 Attached as **Appendices 3 & 4** are tables which summarise the current status of follow-up status on recommendations made in final audit reports from audits contained in the 2013/14 and 2014/15 Audit Plans. The shaded boxes indicate where changes have occurred since our last report. As reported in our last progress report to this Committee, we continue to monitor the recommendations outstanding for 2011/12 and 2012/13 audit reports for which the percentage of outstanding recommendations is 2% and 7% respectively. None of the final reports issued in 2015/16 are yet due for follow-up.

3.0 Proposals

3.1 That the Committee note the performance of the Internal Audit Section for 1st April to 31st October 2015 against the 2015/16 Audit Plan.

3.2 That the Committee note the summary of the key issues raised in final audit reports issued since our last report to this committee and the current status on the follow-up on Internal Audit recommendations made as a result of audits completed during 2013/14 and 2014/15.

4.0 Legal

4.1 There are no legal matters arising as a result of this report.

5.0 Financial Implications

5.1 There are no financial implications arising from this report.

6.0 Recommendations

6.1 That the Committee note the performance of the Internal Audit Section for 1st April to 31st October 2015 against the 2015/16 audit plan.

6.2 That the Committee note the summary of the key issues raised in final audit reports issued since our last report to this Committee and the current status on the follow-up on Internal Audit recommendations made as a result of audits completed during 2013/14 and 2014/15.

Local Government Act 1972

Background Papers:

None.

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Schedule of Other Matters

1.0 Council Priority

1.1 The report does not seek to meet any particular Council priorities.

2.0 Specific Action Plans

2.1 (A) Matter considered and no issues identified.
(B) Matter considered and no issues identified.

3.0 Sustainability Issues

3.1 Matter considered and no issues identified.

4.0 Equality Issues

4.1 Matter considered and no issues identified.

5.0 Community Safety Issues (SECTION 17)

5.1 Matter considered and no issues identified.

6.0 Human Rights Issues

6.1 Matter considered and no issues identified.

7.0 Reputation

7.1 Matter considered and no issues identified.

8.0 Consultations

8.1 (A) Matter considered and no issues identified.
8.2 (B) Matter considered and no issues identified.

9.0 Risk Assessment

9.1 Matter considered and no issues identified.

10.0 Health & Safety Issues

10.1 Matter considered and no issues identified.

11.0 Procurement Strategy

11.1 Matter considered and no issues identified.

12.0 Partnership Working

12.1 Matter considered and no issues identified.

Quarter	Audit Title	Risk Level	Authority to which audit relates			Work Complete	Draft Issued	Final Issued	Assurance level	Assurance at previous audit
			Joint	ADC only	WBC only					
1	ADC - Annual Governance Statement	H		*		Y	N/A	N/A	N/A	N/A
1	WBC - Annual Governance Statement	H			*	Y	N/A	N/A	N/A	N/A
1	Probity - Essential Users	L	*			Y	Y			
1	Fixed Penalty Notices	L	*			Y	Y			
1	New Ways of Working Implementation	H	*			Y	UR			
1	Dog Control	L	*			Y	Y			
1	AWCS	M	*			Y	Y	Y	Satisfactory	Satisfactory
1	Venues		*			Y	UR			
1	Financial Management system - input on controls for replacement system	H	*			WIP				
1	Building Control	L	*			Y	Y	Y	Satisfactory	No previous comparable audit
2	Performance Management	M	*			Y	Y	Y	Satisfactory	
2	Public Services Network	H	*			Y	Y	Y	Satisfactory	No previous comparable audit
2	Corporate Building Maintenance DSO	H	*			Y	UR			
2	Planning Services	M	*			Y	Y	Y	Satisfactory	Satisfactory
2	Use of Consultants	H	*			Y	UR			
2	On Street Parking Enforcement	L	*			Y	UR			
2	Communications	M	*			Y	Y			
2	Electoral Services	M	*			Y	UR			
2	Freedom of Information	H	*			Y	Y	Y	Limited	Limited
2	Decent Homes (report 14-15 from fact finding)	H		*		WIP				
3	Corporate Governance	H	*			WIP	UR			
3	Delivery of Corporate Vision & Priorities	H	*							
3	Project Management	H	*			P				
3	Local Development Framework	M	*			P				
3	Housing Rents	H		*		WIP				
3	WBC Benefits	H			*	WIP				
3	WBC Revenues (Council Tax & NDR)	H			*	P				
3	CenSus - Council Tax	H		*		WIP				
3	Customer Services	M	*							
3	General Ledger	H	*			WIP				
3	Creditors	H	*			P				
3	Debtors	H	*			WIP				
3	Probity - election claim	L	*							
3	Delivery of Digital Strategy	H	*		*					
3	Computer Audit - Telephony	H	*							
3	Cloud Computing	H	*			P				
3	Final Accounts	H	*							
3	Programme Management	H	*							
4	Risk Management	H	*							
4	Economic Development	M	*							
4	Community Infrastructure Levy	H	*							
4	WBC Leisure Trust - Contract Management	H			*					
4	Housing Administration & Support	L	*		*					
4	Empty Property Management	L	*							
4	Public Health	M	*							
4	Energy Management & Sustainability	L	*		*					
4	Cashiering	H	*							
4	Payroll	H	*							
4	Capital Expenditure & Fixed Assets	M	*							
4	Corporate Fraud Management	H	*							
4	Treasury Management	M	*							
4	Manpower Planning	M	*							
4	IT Resilience	H	*							
4	Email & Archive (Outlook & Gmail)	H	*							
4	Contract Management (contract to be determined)	H	*							
4	Vertical contract audit (contract to be determined)	H	*							

KEY
P In Planning stage
WIP Work In Progress
UR Under review

Summary of key issues from finalised audits

Appendix 2

Audit Title	Risk Level	Assurance Level & Number of Issues	Summary of key issues raised
HMS Application (2014/15)	H	Satisfactory (Five Priority 2 recommendations)	No Priority 1 recommendations raised.
CenSus Benefits (2014/15)	H	Satisfactory (One Priority 1, Three Priority 2 and One Priority 3 recommendations)	The Priority 1 recommendation relates to retention of Cabinet Member approval for large write-offs to be evidenced against the relevant case file on the Academy Benefits system.
Third Party Commissioning (2014/15)	H	Satisfactory (One Priority 1 recommendation)	The Priority 1 recommendation relates to the documenting of a Commissioning Policy and procedures.
MSCP Plate Recognition Barrier System – procurement (2014/15)	M	Satisfactory (Two Priority 2 recommendations)	No Priority 1 recommendations raised.
Adur, Worthing Contract Services (2015/16)	H	Satisfactory (One Priority 2 recommendation)	No Priority 1 recommendations raised.
Performance Management (2015/16)	H	Satisfactory (One Priority 1, Three Priority 2 and One Priority 3 recommendations)	The Priority 1 recommendation relates to the current corporate Performance Management Policy and Procedures in place not being documented and officially approved.
Freedom of Information (2015/16)	H	Limited (One Priority 1, Seven Priority 2 and One Priority 3 recommendations)	The Priority 1 recommendation relates To staff not completing the Councils' mandatory FOI training.
Building Control (2015/16)	L	Satisfactory (Three Priority 2 and Two Priority 3 recommendations)	No Priority 1 recommendations raised.

Audit	Final Report Date	Assurance level	Recs not applicable for follow up	Total No of Recs	Number of agreed recs completed	Percentage of recs completed	Recs carried over into next audit	Percentage of recs carried over	Number of recs outstanding	Percentage of recs outstanding	Comments	Comments re Priority 1 recommendations	Date Further Follow-up due
Director of Digital & Resources													
Finance													
Annual Governance Statement (control issues)	N/A	N/A	N/A	N/A					N/A	N/A	N/A		N/A
General Ledger	May-14	Satisfactory	1	7	5	71%	2	29%			Recs were followed up as part of 14/15 audit - 2 were reiterated in 14/15 report		
Cashiering	Jun-14	Satisfactory	1	4	3	75%	1	25%			Self assessment received 7/11/14 - remaining recs were as part of 14/15 annual audit - one complete & one reiterated in 14/15 report		
Creditors	May-14	Satisfactory	1	2	2	100%					Recommendations followed up as part of 14/15 annual audit.		
Debtors	May-14	Satisfactory		3	2	67%	1	33%			Recommendation relates to review of procedures		
Capital Expenditure & Fixed Assets	Dec-14	Satisfactory	1	7			7	100%			Recommendations were followed up a part of annual audit. All were reiterated in 14/15 report		
Treasury Management	Jun-14	Satisfactory		2	2	100%					COMPLETE		
Staff expenses (inc car mileage)	May-14	Satisfactory		2	2	100%					COMPLETED before FU due		
Probity - Staff discounts & Concessions	Mar-14	N/A		5	5	100%					COMPLETE		
Probity - Underbankings	N/A	N/A		N/A					N/A		N/A		
Probity audit - Stores	Oct-12	N/A		1	1	100%					COMPLETE - Manager requested to note bolt stock in next year end stock report		
Legal Services													
Corporate Governance	Mar-14	Limited		10	5	50%	5	50%					
DBS checks & requirements	Oct-13	Satisfactory	1	3	1	33%			2	67%	Met with new Head of People on 10/9 to discuss o/s recs. She was to arrange a meeting with HR staff on 8/10 to discuss and was due to feed back by 31/10. Reminder sent but no update yet provided.		Dec-15
Legal Services	Dec-13	Limited	1	7	7	100%					COMPLETE		
Business & Technical Services													
Shoreham Centre													
Digital & Design													
Risk Management	Jul-14	Satisfactory		9	2	22%	7	78%					
People													
Human Resources													
Director of Economy													
Growth													
Bailiffs	Nov-14	Limited	4	3	3	100%					COMPLETE		
Director of Communities													
Housing													
Housing Rents	May-14	Satisfactory		2	1	50%	1	50%					

Property Buy Back	Mar-14	Satisfactory	1	1	1	100%					Updated provided on 5 Oct confirms this scheme is no longer going to take place therefore O/S rec no longer applicable.		
Building Maintenance	May-15	Limited	1	9			2	22%	7	78%	Request for update sent Oct - no response		
Wellbeing													
Local Strategic Partnership	Apr-15	Satisfactory		4					4	100%	Self Assessment sent 8/9 - reminder sent 2/10 & 10/11 - awaiting update		Dec-15
Safer Communities Partnership	Jun-14	Satisfactory		3	2	67%			1	33%	1 Oct - Update on o/s rec (which is partly implemented) - still in progress and due for completion by Dec 15 - further follow up required		Jan-16
Community Wellbeing	Mar-14	Limited	1	3	3	100%					COMPLETE		
Anti Social Behaviour Management	Jun-14	Satisfactory	2	4	4	100%					COMPLETE		
Environment													
Foreshore Service	Apr-14	Satisfactory		6	5	83%	1	17%			Over 80% complete so no further FU required. O/s rec was partly implemented.		
Cemeteries & Churchyards	May-14	Satisfactory		1	1	100%					COMPLETE		
Grounds Maintenance	May-14	Limited		5	3	60%			2	40%	Update provided at Communities DMT on 18/8 - recs will be implemented in Q4 post restructure	P1 rec discussed at Communities DMT in April & Aug - Rec will not be started until Q4. Further FU required.	Jan-16
Parks Income Management	Oct-13	Satisfactory		5	5	100%			0		COMPLETE		
Probity - Crematorium Ashes Procedure	Apr-14	Satisfactory		6	6	100%					COMPLETE		
Director of Customer Services													
Revenues & Benefits													
Benefits	Jun-14	Satisfactory		3	2	67%	1	33%			Rec relates to DR plans		
Revenues (Council Tax & NDR)	May-14	Satisfactory		3	2	67%	1	33%			O/s rec relates to updating procedures		
WBC - Business Improvement District	Dec-13	Satisfactory		2	2	100%					COMPLETE		
CenSus NDR	Jun-14	Satisfactory		9	7	78%			2	22%	MSDC NDR Report for 14/15 made a rec relating to MSDC suspense ac not being cleared - recs 7 & 8 still considered as in progress and further update will be requested.		Jan-16
Waste & Cleansing													
AWCS - Vehicle Maintenance	May-14	Satisfactory		2					2	100%	Recent update 29/7 confirms both are in progress (one relates to documenting procedures and the promotion of private MOT work) recs will be done by 31 Dec 15.		Jan-16
Building Control & Land Charges													
Local Land Charges	Apr-14	Satisfactory		1	1	100%					COMPLETE		
Computer Audits													
Joint website - content & workflow	Nov-13	Satisfactory	1	2	2	100%					Part of OS rec cannot be implemented due to functionality of T4 system - no further FU req'd.		

Network (LAN & WAN)	Apr-15	Limited	1	10	4	40%			6	60%	Self Assessment issued 12/8 - update rec'd 18/8. Further FU req'd re outstanding recs most of which are not due for implementation until end of Sept 15. Requests for update sent in Oct 15 & on 11 Nov 15	P1 recs relate to IOS version & security patch management (not due for implementation until Sept 15) and change & configuration/release management controls (due May 15 & partly implemented)	Dec-15
Data Centre	Nov-13	Satisfactory		4	3	75%			1	25%	Request for update re 2 OS recs sent 12/8 - response rec'd 18/8 confirmed one rec complete & that the outstanding rec would not be complete until end of FY 15/16		Apr-16
House on the Hill	Mar-14	Satisfactory	2	8	4	50%			4	50%	Update provided on 29/9/15 - work in progress on o/s recs & 10/11 set as completion date - Further FU required.		Dec-15
				158	98	62%	29	18%	31	20%			

Follow Up of Recommendations 2014/15 Audit Plan

Audit	Final Report Date	Assurance level	Recs not applicable for follow	Total No of Recs	Number of agreed recs completed	Percentage of recs completed	Recs carried over into	Percentage of recs carried over	Number of recs outstandi	Percentage of recs outstanding	Comments	Comments re Outstanding Priority 1 recs	Date Further Follow-up
Organisational Development													
Change Management													
Director of Digital & Resources													
Finance													
Annual Governance Statements	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A			
Budgetary Control	Dec-14	Satisfactory		1	1	100%					COMPLETE		
General Ledger	Mar-15	Satisfactory		3					3	100%	Self Assessment issued in July - no response received - Annual audit currently in progress so OS recs being examined as part of 15/16 audit		
Cashiering	May-15	Satisfactory		4					4	100%	Self Assessment issued Sept 15 - response received to reminder was that recs will not be complete until Mar 16		Mar-16
Creditors	Apr-15	Satisfactory		2					2	100%	Self Assessment issued in Aug - no response despite reminders. Annual 15/16 audit due to start in Nov so implementation of outstanding recommendations will be confirmed during new audit	P1 rec relates to confirming requests to change creditor bank account details - Rec is reported as implemented but will be subject to testing as part of new audit before this is confirmed.	
Debtors	Feb-15	Satisfactory		2	2	100%					COMPLETE		
Insurance	Oct-14	Satisfactory		2	2	100%					COMPLETE		
Payroll	Sep-15	Satisfactory	3	5					5	100%	FOLLOW UP DUE JAN 16		
Capital Expenditure & Fixed Assets													
Treasury Management	May-15	Satisfactory		2	2	100%					COMPLETE		
Petty Cash	Jan-15	Satisfactory		2	1	50%			1	50%	Response to self assessment confirmed 1 rec still outstanding - update provided in Oct confirmed rec re procedures will not be complete until Mar 16		Mar-16
Staff Loans	Jan-15	Satisfactory		3	3	100%				0%	COMPLETE		
Probity audits - inventories	Aug-15	N/A		6					6	100%	Issues to be addressed by Head of Finance review of Financial Regulation requirements in Mar 16.		Apr-16
Probity - cash floats	Oct-14	N/A		1	1	100%					COMPLETE		
Probity - Security invoices													
Business Rates - Forecasting & Income Projection	Feb-15	Satisfactory		1					1	100%	Self Assessment issued in June - response received confirmed rec in progress and advised further Follow up in Dec 15.		Dec-15
Pension Scheme- local administration	Oct-14	Full		0							No Follow up required		
Legal Services													
Corporate Governance	May-15	Satisfactory		6	2	33%			4	67%	Annual audit currently in progress - recommendations to be followed up as part of this audit		
Business & Technical Services													
Emergency Planning/Business Continuity													
Desktop Printing & Reprographics													
Facilities Management & Security	May-15	Satisfactory		15					15	100%	Self Assessment issued in Sep & 2 reminders sent - response awaited		Dec-15
Health & Safety	Sep-15	Limited	3	7					7	100%	FOLLOW UP DUE DEC 15		
Pool Car Pilot	May-15	Satisfactory		5	1	20%			4	80%	Self Assessment issued in Sep & 2 reminders sent - response awaited		Dec-15

Term Maintenance Contract Management - Keith Long Electrical												
Construction Contract - MTC Adaptations												
Land Drainage	Jul-15	Satisfactory		5				5	100%	Request for update sent 29 Sept - no response		
Digital & Design												
Risk Management	Jun-15	Satisfactory		15				15	100%	Meeting held on 7/9 with CPO & Head of Digital - all recs are in progress and will not be implemented until end of year s agreed FU would be performed as part of 15/16 audit in Feb 16		
Technology & Business Solutions												
People												
Agency Staff Arrangements	Dec-14	Satisfactory		4				4	100%	Self assessment was issued in April but responsible officer left - Met with new Head of People on 10/9 to discuss o/s recs. She was arranging a HR meeting on 8/10 to discuss with her team in order to feed back to us. No further update provided so meeting now arranged to discuss further	The P1 rec relates to the checking and authorisation of timesheets and not relying on the system's automatic approval. This was due to be implemented by Jan 2015 but due to staff changes in the HR section no update has yet been received	
Sickness Recording & Monitoring												
Director of Economy												
Place & Investment												
External Funding	Apr-15	Limited		9				9	100%	Self Assessment issued in Aug - no response. Sent to new External Funding Manager on 3/11 and meeting booked to discuss.	The P1 recs relate to reminding officers regarding the process for bid approval and monitoring this to ensure the appropriate approvals are obtained and reminding officers and monitoring that all funding bids are processed through the corporate process. No implementation dates were set as imminent change in officers was due to occur.	
Growth												
Estates												
Director of Communities												
Housing												
Housing Rents	May-15	Satisfactory		3	3	100%				COMPLETE		
Housing Maintenance	Oct-14	Satisfactory		4	2	50%		2	50%	Further follow up information received on 30/9 needs to be clarified with auditee	Dec-15	
Void Management	Apr-15	Limited	1	9	9	100%				COMPLETE - Self Assessment response received which indicates all recommendations have been implemented.		
Housing - Homelessness, Advice & Allocations	Jan-15	Limited		29	14	48%		15	52%	Self Assessment issued - response rec'd confirmed an action plan is in place to ensure implementation of the recommendations & monthly monitoring meetings are held- update provided on 24 Aug confirmed 14 completed but no evidence has been provided to support this so testing will be performed by IA after restructure - Q4	The 6 outstanding P1 recs are being monitored by Head of Housing through an Action Plan.	Jan-16
Home Improvement Assistance												
Decent Homes - Contract Management												
Wellbeing												
Hackney Carriage & Private Hire	Jul-15	Satisfactory		5				5	100%	Request for update issued Nov 15		
Third Party Commissioning	Nov-15	Satisfactory		1				1	100%	FOLLOW UP DUE MAR 16		
Environment												

Beach Huts	May-15	Limited		12	3	25%			9	75%	Self Assessment issued in Aug -detailed response received confirmed o/s recs in progress and would be complete by end Oct. Request for update sent 3/11	P1 rec relates to seeking legal advice in relation to information which should be sought during private sale transactions (ID etc)	
Director of Customer Services													
Revenues & Benefits													
WBC Benefits	Apr-15	Satisfactory		1	1	100%					COMPLETE		
WBC Revenues (Council Tax & NDR)	May-15	Satisfactory		5	2	40%			3	60%	Examination of Customer Services follow-up monitoring confirmed all 3 recs still in progress - Further FU req'd		Dec-15
CenSus - Benefits	Nov-15	Satisfactory	1	4					4	100%	FOLLOW UP DUE MAR 16		
Customer Contact & Engagement													
Complaints	Dec-14	Limited	2	7	3	43%			4	57%	Self Assessment follow up has been performed - One rec is not yet implemented and 3 further recs have been indicated as implemented but evidence has been requested to support their implementation. Before they are marked off as complete	On follow up the P1 rec was noted as implemented as a reminder had been sent re procedures. However, we have requested evidence of monitoring on providing responses to complainants in line with policy requirements	
Register of Electors	Jul-15	Satisfactory	5								No follow up required		
Car Parks	Oct-14	Satisfactory		3	1	33%			2	67%	updates received from Service Accounting and Parking confirmed 2 recs still in progress - Further FU required	The 2 outstanding P1 recs relate to investigating income variances between the NSL and Jade count since April 2014 and completing periodic reconciliations for pay & display and season ticket sales between the income received and the income accounted for in the GL. Note that these issues are being looked into but have not yet been rectified.	
MSCP Plate Recognition Barrier System - Procu	Nov-15	Satisfactory		2					2	100%	FOLLOW UP DUE MAR 16		
Computer Audits													
Disaster Recovery	Jul-15	Limited		3					3	100%	FU DUE OCT 15 - Draft DR System Restart Process received in Aug 15.		Jan-16
HMS Application	Sep-15	Satisfactory	2	3	1	33%			2	67%	FU not due until Jan 16 but evidence already pro-actively provided to confirm implementation of one recommendaion		Jan-16
Data Protection & Information Governance	Mar-15	Limited		9					9	100%	Self Assessment issued in June - response received to indicate no update available - 3 reminders for update sent since - awaiting response	The P1 rec is not due to be implemented until Dec 15.	Jan-16
Service Desk (ITIL)	Sep-15	Limited	3	2					2	100%	FU DUE DEC 15		
				202	54	27%	0	0%	148	73%			

Internal Audit Progress Updates by Directorate

Digital & Resources

Land Drainage

This report received a Satisfactory Assurance and the Engineer has been in dialogue with the Audit team regarding some of these recommendations. Recommendations 3.2 relating to Inspection Records is now being looked at as a digital project. This work is currently being planned in given the high workload in the digital team.

Recommendation 3.3 also relates to the retention of information on Outlook and there are no proposals corporately to cease access to historic Outlook data, which provides an accessible archive.

Disaster Recovery

- *This is the subject of its own report to JGC on 24/11*
- CenSus ICT have completed and submitted their BIA for the A&W Corporate Business Continuity group

Service Desk ITIL

- Limited assurance received.
- Three of five recommendations complete
- Recommendation around service desk tool to be complete by 30 June 2016 with rollout of new system
- Meeting to be arranged to discuss needs for a service catalogue

Public Services Network

- Satisfactory assurance received
- All recommendations are complete or on target for completion in agreed timescale
- One action relating to a review of the ISO27001 Policies to be raised at next CenSus partnership board meeting

Health & Safety

The majority of recommendations from the report have been completed. These include a review of all H&S policies and guidance documents which reflect the various changes in the management structure, ways of working and legislative updates.

The Health and Safety Board, chaired by the CEO with representation from all Directorates and Union Representatives meets quarterly and are minuted. There is also the Commerce Way Safety meeting which focuses on more operational issues at the depot. Minutes and monthly accident statistical information is available for staff via CLT and the intranet. There has been an improvement of accessible information for staff who do not have access to computers.

The centralised storage of risk assessments is a work in progress tied in with the introduction of other digital platforms. All service areas are encouraged to review their risk assessments regularly and to keep them accessible, electronically. Additional assistance has been provided for those areas which require help.

A new digital audit and inspection system (IAuditor) has been agreed by the Digital Design Authority and is being introduced in order to facilitate inspections and audits electronically. In addition to this the H&S Board has agreed to use Zurich Municipal's risk management support to review the Councils inspection regimes. This is a no cost option that should improve our H&S legal obligations and assist with the defence of insurance claims

DBS Checks & Requirements

A formal project is in place to review all staff and check they have had BPSS and DBS checks as appropriate. This will report regularly to the Digital Programme Board chaired by Paul Brewer, who is Senior Information Risk Owner (SIRO).

Network (LAN & WAN)

- Limited assurance received - April 2015
- Most issues identified quickly dealt with
- Meeting with CenSus Head of ICT 12 November to provide further update

Data Centre

- Satisfactory assurance received - October 2013 (long time ago!!)
- CenSus ICT confirm that actions have been completed

House on the Hill

- HotH is scheduled to be replaced in Spring 2016
- CenSus ICT confirm that all recommendations are complete or on schedule for completion

Corporate Governance

Separate report being taken to Joint Governance Committee on 24.11.15

Facilities Management & Security

The Facilities Management & Security audit relates to the arrangements for the Town Hall and Portland House only.

A Satisfactory Assurance was received with no Priority 1's. All the recommendations are either in progress or completed with the exception of item 3.6 - Rolling Programme of Condition Surveys. This has been identified as a Corporate Risk with no condition surveys completed for any Adur & Worthing assets and budgetary provision has been included in the 2016/17 capital programme. Discussions are being held with neighbouring authorities to consider joint working/contracting opportunities. This is a priority project for the Technical Services Surveying team and this is linked with the need for a corporate asset management system.

Pool Car Pilot

The Pool Car Audit received a Satisfactory Assurance with responsibility for implementing recommendations split between the Head of People and Head of Business & Technical Services.

All of the recommendations have been implemented, however, the procurement team are still without the Procurement Assistant whose main role is to administer the operation of the pool cars and the team are therefore struggling with capacity issues. The Procurement Assistant post has been advertised with interviews being held at the end of November 2015.

Agency staff arrangements

This report has been responded to and forwarded to Audit.

Data Protection & Information Governance

- Two recommendations actioned and complete
- Remaining seven recommendations are in progress and due to complete by March 2016

Added - Building Maintenance

The Technical Services team are responsible for the maintenance of Corporate Buildings (not Adur Homes properties). This audit received a Limited Assurance.

All of the staff responsible for these arrangements and interviewed during the Audit are no longer with the council as this audit was part of the 2013/14 plan.

A review of the work of Technical Services is in hand and the new team are looking to make improvements across all work areas.

One of the Council's key contractors is its own in house service provided by Adur Building Services. This has been subject to a separate fundamental review/audit and the

performance of this contract/agreement has affected the Corporate Building maintenance arrangements.

Monthly meetings with internal Clients (Heads of Service) have been implemented to ensure customers expectations are being met and to develop relationships between the teams.

Creditors

The audit was a satisfactory audit opinion.

The priority 1 recommendation was to implement a check for requests to change to banking detail telephones. The checks are now being undertaken. Unfortunately, one member of staff failed to undertake this check during a period of staff sickness and the Council was subject to a fraudulent request for bank details changes. This is discussed in more detail within the Head of Internal Audit

Cash receipting

The audit was a satisfactory audit opinion with no priority 1 recommendations.

Follow Up of Recommendations 2013/14 Audit Plan																			
Audit	Joint Audit	Final Report Date	Assurance level	Recs not applicable for follow up	Total No of Recs	Number of agreed recs completed	Percentage of recs completed	Recs carried over into next audit	Percentage of recs carried over	Number of recs outstanding	1	2	3	Other	Percentage of recs outstanding	Key auditees		Date Further Follow-up due	
Director of Communities																			
Housing																			
Housing Rents		May-14	Satisfactory		2	1	50%	1	50%										
Property Buy Back		Mar-14	Satisfactory	1	1	1	100%										Updated provided on 5 Oct confirms this scheme is being brought to an end therefore O/S rec no longer applicable.		
Building Maintenance	*	May-15	Limited																
Wellbeing																			
Local Strategic Partnership	*	Apr-15	Satisfactory		4					4	0	4	0	N/A	100%	J Allatt	Self Assessment sent 8/9 - reminder sent 2/10 - awaiting update		
Safer Communities Partnership	*	Jun-14	Satisfactory		3	2	67%			1	0	1	0	N/A	33%	R Francis	1 Oct - Update on o/s rec (which is partly implemented) - still in progress and due for completion by Dec 15 - further follow up required. CST is updating I/Audit regularly	Jan-16	
Community Wellbeing	*	Mar-14	Limited	1	3	3	100%										COMPLETE		
Anti Social Behaviour Management	*	Jun-14	Satisfactory	2	4	4	100%										COMPLETE		
Environment																			
Foreshore Service		Apr-14	Satisfactory		6	5	83%	1	17%								Over 80% complete so no further FU required. O/s rec was partly implemented.		
Cemeteries & Churchyards	*	May-14	Satisfactory		1	1	100%										COMPLETE		
Grounds Maintenance	*	May-14	Limited		5	3	60%			2	1	1	0	N/A	40%	A Edwards	Update provided at Communities DMT on 18/8 - rec will be implemented in Q4 post restructure	P1 rec discussed at Communities DMT in April & Aug - still in progress and cannot be completed till restructure complete. Further FU required.	Nov-15
Parks Income Management	*	Oct-13	Satisfactory		5	5	100%			0	0	0	0	N/A			COMPLETE		
Probity - Crematorium Ashes Procedure	*	Apr-14	Satisfactory		6	6	100%										COMPLETE		
					40	31	78%	2	5%	7	1	6	0	0	18%				

Follow Up of Recommendations 2014/15 Audit Plan																			
Audit	Joint Audit	Final Report Date	Assurance level	Total No of Recs	Number of agreed recs completed	Percentage of recs completed	Recs carried over into next audit	Percentage of recs carried over	Number of recs outstanding	1	2	3	Other	Percentage of recs outstanding	Key auditees	Comments	Comments re Outstanding Priority 1 recs	Date Further Follow-up due	
Director of Communities																			
Housing																			
Housing Rents	ADC	May-15	Satisfactory	3	3	100%													
Housing Maintenance	ADC	Oct-14	Satisfactory	4	2	50%			2	0	2	0	0	50%	P Turner/C Strong	COMPLETE Further follow up information has recently been received but this needs to be clarified with auditee			
Void Management	ADC	Apr-15	Limited	9	9	100%										COMPLETE - Self Assessment response received which indicates all recommendations have been implemented.			
Housing - Homelessness, Advice & Allocations	*	Jan-15	Limited	29	14	48%			15	6	9	0	0	52%	P Cooper	Self Assessment issued - response rec'd confirmed an action plan is in place to ensure implementation of the recommendations & monthly monitoring meetings are held - update provided on 24 Aug confirmed 14 completed but no evidence has been provided to support this so testing will be performed by IA after restructure - Q4	The 6 outstanding P1 recs are being monitored by Head of Housing through an Action Plan.	Jan-16	
Wellbeing																			
Hackney Carriage & Private Hire	*	Jul-15	Satisfactory	5					5	1	3	1	0	100%	S Jones	FU DUE NOV 15	COMPLETE - All Adur & Worthing Hackney Carriage & Private Hire file storage should now comply. All old files have been destroyed.		
Environment																			
Beach Huts	*	May-15	Limited	12	3	25%			9	1	7	1	0	75%	A Edwards	Self Assessment issued in Aug -detailed response received confirmed o/s recs in progress. Further FU required.	P1 rec relates to seeking legal advice in relation to information which should be sought during private sale transactions (ID etc)	Nov-15	
Computer Audits																			
HMS Application	*	Sep-15	Satisfactory	3	1	33%			2	0	2	0	0	67%	P Turner	FU not due until Jan 16 but evidence already pro-actively provided to confirm implementation of one recommendation		Jan-16	
				65	32	49%	0	0%	33	8	23	2	0	51%					

Follow Up of Recommendations 2014/15 Audit Plan												Appendix 4		
Audit	Joint Audit	Final Report Date	Assurance level	Recs not applicable for follow up	Total No of Recs	Number of agreed recs completed	Percentage of recs completed	Recs carried over into next audit	Percentage of recs carried over	Number of recs outstanding	Percentage of recs outstanding	Comments	Comments re Outstanding Priority 1 recs	Date Further Follow-up due
Director of Economy														
Place & Investment														
External Funding	*	Apr-15	Limited		9					9	100%	Self Assessment issued in Aug - response awaited	The P1 recs relate to reminding officers regarding the process for bid approval and monitoring this to ensure the appropriate approvals are obtained and reminding officers and monitoring that all funding bids are processed through the corporate process. COMPLETED - the new post of Investment Officer is now in place and the postholder is taking the lead on a co-ordinating the councils' approach to securing external funding opportunities to avoid duplication and maximise opportunities for success.	
Growth														
Estates														
Car Parks	*	Oct-14	Satisfactory		3	1	33%			2	67%	updated status received 11/8 confirmed 2 recs still in progress. Audit & Chief Cashier visit performed on 10/9 - Further FU required	The 2 outstanding P1 recs relate to investigating income variances between the NSL and Jade count since April 2014 and completing periodic reconciliations for pay & display and season ticket sales between the income received and the income accounted for in the GL. Whilst, the extent of income variance has been reduced it has been agreed, in principle, to take cash from our car parks direct to the Councils Cash Office for counting to eliminate any future risk of income variances. Parking Services moved to the Customer Services Directorate at the end of October and a fundamental review of cash handling is underway with the expectation that the new cash handling arrangements will be in place no later than the 1st April 2016. In the meantime work is continuing to reconcile remaining income variances.	Oct-15

Date of audit report	Work area	Internal / External audit	Priority level	Description	Progress	BRAG	Record updated
Dec-14	(JE) Corporate Complaints	Internal	1	Acknowledgements and full responses must be sent and uploaded into Covalent	Implemented November 2014 and on-going monitoring in place	Green	8/9/2015
Mar-14	(PT) ADC CenSus Benefits	Internal	1	Appropriate QA checks to be undertaken and where errors are identified a process if required to confirm that amendments have been made	Implemented	Green	26/10/2015
Mar-14	(PT) ADC CenSus Benefits	Internal	1	Inappropriate processing of changes in circumstances have exacerbated overpayments	Implemented	Green	26/10/2015
Jun-14	(PT) ADC CenSus Revenues	Internal	1	NNDR annual review of charitable and discretionary reliefs	Implemented	Green	12/10/2015
Jun-14	(PT) ADC CenSus Revenues	Internal	1	NNDR retrospective write-off authorisation procedure (Academy should not to be updated without authorisation being obtained)	Implemented	green	26/10/2015
Nov-15	(PT) ADC CenSus Benefits	Internal	1	Evidence of Member authorisation to write off overpayments must be retained within EDRMS	Evidence will be retained	Green	06/11/2015
Oct-15	(GG) Building Control	Internal	2	Retention of documents - Action is required to deal with the backlog of file scanning to avoid the risks of having completed Building Control files stored in three locations. This is an expensive and resource intensive item that will require a business case/ risk assessment approach	Temporary resources deployed and work style changes being pursued	Amber	4/11/2015
Oct-15	(GG) Building Control	Internal	2	Accessibility to information on site - The Building Control Team are to consider developing a business case for the introduction of tablet devices which can then be used to access electronic case files during site inspections.	Presentation to Digital Board programmed for January	Red	04/11/2015
Oct-15	(GG) Building Control	Internal	2	Systems records - Investigation is required to understand why Northgate system is not always updating automatically with information from the MVM system.	Software upgrade in progress	Amber	04/11/2015

Date of audit report	Work area	Internal / External audit	Priority level	Description	Progress	BRAG	Record updated
Dec-14	(JE) Corporate Complaints	Internal	2	Develop & document procedures to rectify "maladministration" identified by the LGO	Procedures are in place for LGO complaints and managed by Directors PAs and entered on Covalent, a new complaints system on Matsoft will be implemented by end of 2015 subject to the solution being finalised by the Digital Team.	Amber	9/11/2015
Dec-14	(JE) Corporate Complaints	Internal	2	Departmental complaints records to be reconciled on a monthly basis with Covalent	Departmental records are no longer maintained as the Directors' PA's record complaints in Covalent	Green	8/9/2015
Dec-14	(JE) Corporate Complaints	Internal	2	A full response to S2 complaints must be provided within 15 days and uploaded to Covalent	Directros' PA's were reminded of this requirement in October 2014. This is being monitored on-going	Green	8/9/2015
Dec-14	(JE) Corporate Complaints	Internal	2	Progress against coplaint handling targets should be regularly monitored and reported to CLT	Implemented from January 2015	Green	8/9/2015
Dec-14	(JE) Corporate Complaints	Internal	2	An update identified at CLT meetings should be requested at a subsequent meeting	Implemented from May 2014	Green	8/9/2015
Mar-14	(PT) ADC CenSus Benfits	Internal	2	Retrospective write-off authorisation procedure for overpayments (Academy should not to be updated without authorisation being obtained)	Implemented	Green	26/10/2015
Mar-14	(PT) ADC CenSus Benfits	Internal	2	Procedures & policies must be reviewed regularly	Implemented	Green	26/10/2015
Mar-15	(PT) ADC CenSus Revenues	Internal	2	Ctax - restrict staff from accessing and updating their own account	Still outstanding; per Sue Smith - partially implemented and due for completion 30/11/15. This is the responsibility of CenSus and is not directly within ADC-WBC control.	Amber	26/10/2015
Jun-14	(PT) ADC CenSus Revenues	Internal	2	NNDR suspense monitoring to be reviewed and confirmed to be appropriate	Outstanding; due for completion by 31/12/15; Sue Smith to follow up in Jan 16. This is the responsibility of CenSus and is not directly within ADC-WBC control.	Amber	26/10/2015

Date of audit report	Work area	Internal / External audit	Priority level	Description	Progress	BRAG	Record updated
Jun-14	(PT) ADC CenSus Revenues	Internal	2	NNDR suspense accounts to be cleared regularly. Issue also included in Jan 2015 report	Outstanding; due for completion by 31/12/15; Sue Smith to follow up in Jan 16. This is the responsibility of CenSus and is not directly within ADC-WBC control.	Amber	26/10/2015
Jun-14	(PT) ADC CenSus Revenues	Internal	2	NNDR Academy manual should be reviewed, updated and re-issued	Completed	Green	7/9/2015
Jun-14	(PT) ADC CenSus Revenues	Internal	2	NNDR empty properties should be inspected in a timely manner and regularly thereafter	Completed	Green	7/9/2015
Jun-14	(PT) ADC CenSus Revenues	Internal	2	NNDR cash receipting reconciliations to be completed daily	Completed	Green	7/9/2015
Jan-15	(PT) ADC CenSus Revenues	Internal	2	NNDR - staff who have left should have their Academy user access revoked	Unknown - email to Sue Smith 04.11.15; this audit report was produced by Mid Sussex DC - Sue has requested an update and will provide the response when she is able	Red	5/11/2015
Apr-15	(PT) WBC Benefits	Internal	2	Refer HB overpayments for absconded customers to the Investigation Team	Sue Smith - we have confirmed with the Corporate Fraud Team that absconded customers are now being referred to the them.	Green	12/11/2015
May-15	(PT) WBC Revenues	Internal	2	Consider referring debts that are otherwise being considered for write-off to the Investigation Team	Implemented	Green	2/11/2015
May-15	(PT) WBC Revenues	Internal	2	Discounts and reductions should be reviewed on an annual basis	Rolling review implemented in conjunction with the corporate Investigation Team	Green	2/11/2015
May-15	(PT) WBC Revenues	Internal	2	Diary dates (which are records created to monitor future events of changes - e.g. the end of a student's course of study) should be actioned in a timely manner	The backlog of work has hindered the team's ability to remain up to date with diary dates; now that the backlog has been reduced to "normal" levels diary dates are now being brought up to date with an intention that they are completely up to date by 31.12.15	Amber	2/11/2015

Date of audit report	Work area	Internal / External audit	Priority level	Description	Progress	BRAG	Record updated
Jul-15	(PTW) Register of Electors	Internal	2	Consider appointing a Deputy Electoral Registration Officer	JE confirmed as DERO	Green	8/9/2015
Jul-15	(PTW) Register of Electors	Internal	2	Check Credit Agencies are FCA licensed before a full copy of the Register is issued	Implemented	Green	8/9/2015
Jul-15	(PTW) Register of Electors	Internal	2	Consider utilising the Corporate Investigation Team to assist with suspected fraud cases	Implemented	Green	8/9/2015
Sep-15	(TP) AWCS	Internal	2	NHS agreement in respect of Clinic Waste	Report received which identify's AWCS is doing its best to agree an agreement but further work required to try to achieve this, however short of stopping the service which would cause a very high level of customer concerns. TP to arrange a meeting with NHS to discuss further	Amber	3/11/2015
Nov-15	(PT) ADC CenSus Benefits	Internal	2	DHP applications and supporting evdience must be retained in EDRMS	Implemented	Green	06/11/2015
Nov-15	(PT) ADC CenSus Benefits	Internal	2	When a CTS customer moves, the Ctax account should be closed before CTS is cancelled	Procedure notes to be updated	Amber	06/11/2015
Nov-15	(PT) ADC CenSus Benefits	Internal	2	Overpayments passed to Legal to pursue must be monitored for progress	A monitoring procedure will be put in place	Amber	06/11/2015
Oct -15	(GG) Building Control	Internal	3	Office procedures - Documented procedure notes are required for all actions within the service which should be approved, signed off and then be kept under constant review.	Some exist and now in the support teams work programme	Amber	04/11/2015

Date of audit report	Work area	Internal / External audit	Priority level	Description	Progress	BRAG	Record updated
Oct-15	(GG) Building Control	Internal	3	Fees and charges booklet - Consideration should be given to including the Building Control fees within the Council's annual Fees and Charges booklet. The law around this will need to be carefully considered alongside the commercial risk in a competitive marketplace.	Outstanding; due for completion by 31/12/15; Sue Smith to follow up in Jan 16	Red	04/11/2015
Dec-14	(JE) Corporate Complaints	Internal	3	Comments & Complaints procedure document should be version controlled	Fully implemented	Green	8/9/2015
Dec-14	(JE) Corporate Complaints	Internal	3	Customer Feedback (Complaints) Representatives listing should be updated	There are no longer departmental representatives and the Directors' PA's record complaints in Covalent	Green	8/9/2015
Dec-14	(JE) Corporate Complaints	Internal	3	A remedy should be documented in Covalent for all complaints logged	Directors' PA's were reminded of this requirement in October 2014. This is being monitored on-going	Green	8/9/2015
Mar-14	(PT) ADC CenSus Benefits	Internal	3	Backdated benefit awards have incorrect subsidy classification	Impelemneted	Green	4/11/2015
Mar-15	(PT) ADC CenSus Revenues	Internal	3	Ctax - Restrict user access so only appropriate staff can update bands	Still outstanding; Sue Smith to provide an update; examination of the Final report produced by Horsham confirmed that this recommendation was noted and no further action agreed - there is therefore no recommendation to follow up on and this should be marked as no further action required.	Green	5/11/2015
Jun-14	(PT) ADC CenSus Revenues	Internal	3	NNDR discretionary relief authorisation should be stored in EDRMS and noted in Academy records	Implemented	Green	7/9/2015
Jun-14	(PT) ADC CenSus Revenues	Internal	3	NNDR Bills to be issued in a timely manner	Implemented	Green	7/9/2015
May-15	(PT) WBC Revenues	Internal	3	Ensure procedure notes remain up to date and revisions are dated	Procedure notes are up to date. Revision dates will be checked and updated as part of the on-going rolling review process with a target date for completion 31/12/15	Amber	1/9/2015

